Sparebanken Vest – Q3 2019

Jan Erik Kjerpeseth
CEO
Sparebanken Vest and the home market

The third largest Norwegian savings bank

- Established in 1823 and listed on Oslo Stock Exchange since 1995
- Head office in Bergen. 33 branches. 727 FTEs
- Diversified product offering. Main shareholder in Frende (insurance) and Brage (leasing)
- Several new digital initiatives, such as the first mobile-only bank in Norway, Bulder Bank
- More than NOK 199 billion in total assets, and approximately 282,000 retail and 13,000 corporate customers
- 73% share of lending to retail customers
- Long-term ROE target of 12%

Home market

- Approximately 1.1 million people, or 21% of Norway’s population, accounting for 19% of Norwegian GDP
- Bergen and Stavanger are the 2nd and 3rd largest urban regions in Norway
- Main business areas: Aquaculture & fishery, oil & gas, public services and other industry
- Expanding retail lending to a national level with Bulder Bank

Market areas

<table>
<thead>
<tr>
<th>Market shares¹</th>
<th>Sogn og Fjordane</th>
<th>Hordaland</th>
<th>Rogaland</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>19.6%</td>
<td>29.7%</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

Notes: 1) Market share in the retail market
Sources: Statistics Norway (SSB) and EarlyWarning
Low complexity, conservative loan book and high rate of return
A bank with low complexity

Corporate Market
- 27% of total loan book
- Loan book NOK 44.9bn
- 12,300 customers
- Diversified portfolio

Retail Market
- 73% of total loan book
- Loan book NOK 123.9bn
- 281,600 customers
- Including Bulder Bank

FrendeForsikring
- 39.7% ownership
- Mainly P&C insurance
- Market share 3.5%
- 21% ROE year to date

EiendomsmeglerVest
- 100% ownership
- Real estate broker
- 130 FTEs
- Important for lending

BRAGE
- 49.99% ownership
- Leasing and financing
- Total balance NOK 11.6bn
Low losses over several years

Losses as % of gross lending

- 2013: 0.25%
- 2014: 0.34%
- 2015: 0.14%
- 2016: 0.03%
- 2017: 0.02%
- 2018: 0.00%
- Q3 19 ytd: 0.01%
Lowest losses compared to peers 2015–2018*

* Loss as % of gross lending
Reported ROE, 2015–2018

Average for the period 2015–2018
Strong development in ROE
Long-term financial targets

ROE

12%

DIVIDEND

< 50%
• Solid banking operations
• Strong market position
• Strategic initiatives
Solid ROE on higher equity

- 2012: 14.1%
- 2013: 11.7%
- 2014: 13.7%
- 2015: 11.0%
- 2016: 13.1%
- 2017: 11.0%
- 2018: 11.9%
- 2019 ytd: 14.0%

Average 12.6%
Key developments in Q3
- solid results

ROE as percentage*

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Reported ROE</th>
<th>ROE excl non-recurring effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 18</td>
<td>11.7%</td>
<td></td>
</tr>
<tr>
<td>Q4 18</td>
<td>12.1%</td>
<td></td>
</tr>
<tr>
<td>Q1 19</td>
<td>10.9%</td>
<td></td>
</tr>
<tr>
<td>Q2 19</td>
<td>11.3%</td>
<td></td>
</tr>
<tr>
<td>Q3 19</td>
<td>18.0%</td>
<td></td>
</tr>
</tbody>
</table>

Profit per equity certificate

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Resultat pr ECT</th>
<th>Resultat pr ECT excl non-recurring effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 18</td>
<td>1.51</td>
<td></td>
</tr>
<tr>
<td>Q4 18</td>
<td>1.46</td>
<td></td>
</tr>
<tr>
<td>Q1 19</td>
<td>1.48</td>
<td></td>
</tr>
<tr>
<td>Q2 19</td>
<td>2.42</td>
<td></td>
</tr>
<tr>
<td>Q3 19</td>
<td>1.89</td>
<td></td>
</tr>
</tbody>
</table>

CET1 as percentage

<table>
<thead>
<tr>
<th>Quarter</th>
<th>CET1 as percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 18</td>
<td>15.0%</td>
</tr>
<tr>
<td>Q4 18</td>
<td>14.9%</td>
</tr>
<tr>
<td>Q1 19</td>
<td>14.7%</td>
</tr>
<tr>
<td>Q2 19</td>
<td>14.7%</td>
</tr>
<tr>
<td>Q3 19</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

Book value per equity certificate

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Book value per equity certificate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 18</td>
<td>52.2</td>
</tr>
<tr>
<td>Q4 18</td>
<td>53.8</td>
</tr>
<tr>
<td>Q1 19</td>
<td>52.7</td>
</tr>
<tr>
<td>Q2 19</td>
<td>55.1</td>
</tr>
<tr>
<td>Q3 19</td>
<td>56.9</td>
</tr>
</tbody>
</table>

* A one-off gain of NOK 141 million relating to the acquisition of Jonsvollskvartalet AS was taken to income in Q2 2019. ROE corrected for one-off effects was 14.1% and the profit per equity certificate, corrected for one-off effects, was NOK 1.89.
Key developments – year to date
- strong result with and without one-off effects

**ROE as percentage**

- Q3 17 YTD: 11.2%
- Q3 18 YTD: 12.2%
- Q3 19 YTD: 14.0%
- Q3 19 YTD (excl. non-recurring effects): 12.8%

**Profit per equity certificate**

- Q3 17 YTD: NOK 4.06
- Q3 18 YTD: NOK 4.56
- Q3 19 YTD: NOK 5.70

**CET1 as percentage**

- Q3 17 YTD: 14.9%
- Q3 18 YTD: 15.0%
- Q3 19 YTD: 14.7%

**Book value per equity certificate**

- Q1 19: NOK 52.7
- Q2 19: NOK 55.1
- Q3 19: NOK 56.9

* A one-off gain of NOK 141 mill. relating to the acquisition of Jorsvollskvartalet AS was taken to income in Q2 2019, while in Q2 2018, the merger between Vipps, BankAxept and BankID had an effect on profits of NOK 94 mill. ROE corrected for one-off effects was 12.8% for Q3 2019 YTD and 11.3% for Q3 2018 YTD. The profit per equity certificate, corrected for one-off effects, was NOK 5.17 for Q3 2019 YTD and NOK 4.23 for Q3 2018.
Change in profit YTD compared with YTD last year*

*A one-off gain of NOK 141 mill. relating to the acquisition of Jonsvollskvartalet AS was taken to income in Q2 2019, while in Q2 2018, the merger between Vipps, BankAxept and BankID had an effect on profits of NOK 94 mill. Shown in separate columns.
Good growth in net interest income
- repricing effects affect relative net interest income

Nominal net interest income

Net interest income as % of assets under management

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Nominal Net Interest Income</th>
<th>Net Interest Income % of Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2018</td>
<td>692</td>
<td>1.47%</td>
</tr>
<tr>
<td>Q4 2018</td>
<td>719</td>
<td>1.51%</td>
</tr>
<tr>
<td>Q1 2019</td>
<td>724</td>
<td>1.50%</td>
</tr>
<tr>
<td>Q2 2019</td>
<td>753</td>
<td>1.51%</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>808</td>
<td>1.57%</td>
</tr>
</tbody>
</table>
Increased deposit margins
– contribute to increased interest margins
Strong contribution to profits from Frende Forsikring and Brage Finans

Frende Forsikring
- Considerably better general insurance result compared with 2018
- Very good financial result in the quarter
- 22% ROE year to date

Brage Finans
- Growth in lending of NOK 2.9 bill. past 12 months, and lending volume of NOK 11.3 bill.
- Solid top-line growth, with 45% growth in net interest income over the past 12 months
- ROE in the quarter was 10.3%*

* ROE for the quarter includes bonus commission from Brage Finans to Sparebanken Vest
Solid development for Savings and Investments

Income from Savings and Investments

Assets under management Savings and Investments (NOK bill.)

* Annual growth (CAGR – Compound annual growth)
Lower costs and shift in cost structure
– flat costs a precondition for digital development

Cost development, past six years*

-13%

IT*

15%

Costs excl. IT

NOK 1,305 mill. 2012

NOK 1,242 mill. 2018

Cost development YTD, excl. Bulder Bank**

NOK 932 mill. YTD 2018

NOK 923 mill. YTD 2019

* IT costs are the total costs of the IT department in the parent bank, including payroll expenses, external fees, ICT costs and other operating costs in the department.

** Cost development for the parent bank, corrected for direct costs for Bulder Bank (NOK 24 mill.)
Focus on cost efficiency over several years – contributes to flat nominal cost development in 2019

Costs as % of assets under management*

Group costs past 12 months

*EMV – Eiendomsmegler Vest (Real estate agent)
Considerable reduction in defaults and potential bad debt
– stable distribution of model-based provision

Distribution of model-based provision

Defaults and other potential bad debt

Q3-2018 Q4-2018 Q1-2019 Q2-2019 Q3-2019

Step 1: 29% 26% 26% 26% 29%
Step 2: 42% 62% 60% 61% 94%
Step 3: 13% 12% 12% 11% 13%

Q318 Q418 Q119 Q219 Q319

PM: 0.87% 0.86% 0.86% 0.57% 0.56%
EM: 339 338 334 349 337
Total: 1,016 1,045 1,067 593 603
Good credit work results in low losses over time

Quarterly development – Losses on loans and guarantees

Losses as a percentage of gross lending
The bank meets regulatory capital requirements

CET1 ratio*

<table>
<thead>
<tr>
<th></th>
<th>Q2 18</th>
<th>Q3 18</th>
<th>Q4 18</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q3 IRB*</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.8</td>
<td>15.0</td>
<td>15.0</td>
<td>14.9</td>
<td>14.7</td>
<td>14.7</td>
<td>14.7</td>
<td>17.0</td>
</tr>
</tbody>
</table>

Leverage ratio

<table>
<thead>
<tr>
<th></th>
<th>Q3 18</th>
<th>Q4 18</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.3</td>
<td>7.1</td>
<td>7.0</td>
<td>7.0</td>
<td>7.1</td>
<td></td>
</tr>
</tbody>
</table>

* The bank’s Pillar 2 addition was reduced from 1.8 to 1.7% from 31 March 2019. Q3 IRB includes 0.4 percentage point effect of the SME discount (part 1)
The bank is well positioned to meet the proposed increased capital requirements:
- The Basel 1 floor is expected to be removed and the SME discount (part 1) introduced in 2019.

Potential* changes in capital requirements in 2019:

- 30 Sept. 2019:
  - Equity: 13.7
  - Capital conservation buffer: 1.7
  - Systemic risk: 2
  - Countercyclical: 3
  - Pilar 2: 2.5

- 31 Dec. 2019:
  - Equity: 15.7
  - Capital conservation buffer: 1.7
  - Systemic risk: 2.5
  - Countercyclical: 4.5
  - Pilar 2: 2.5

Changes affecting the CET1 ratio:

- CET 1: 14.7
- Removal of floor: 1.9
- SME discount part 1: 0.4
- Adjusted CET1: 17.0

* An increase in the countercyclical buffer requirement from 31 December 2019 has already been adopted. The deadline for consultation submissions on the proposal to increase the systemic risk buffer requirement was 30 September 2019, and the proposed implementation date is 31 December 2019.
• Solid banking operations
• **Strong market position**
• Strategic initiatives
Our value proposal

A PERSONAL ‘SIGNATURE’

SIMPLE DIGITAL SERVICES

SOCIAL COMMITMENT TO WESTERN NORWAY
Digital user experiences and the bank’s signature principles lead to improved customer satisfaction

- Highest customer satisfaction since 2014.
- Two years in a row among the top two on Kantar’s annual customer service ranking.
- Frende Forsikring has Norway’s most satisfied insurance customers.*

*) Source: EPSI 2018.
Strong position in the retail market
- well-diversified in the corporate market

Loan portfolio NOK 168.8 bill.

Breakdown by sector in the corporate market, NOK 44.9 bill.

- Corporate
- Retail
More retail and corporate customers

Retail customers
Growth 1.6% in past year

<table>
<thead>
<tr>
<th></th>
<th>Q3 2018</th>
<th>Q3 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>277 300</td>
<td>281 600</td>
</tr>
</tbody>
</table>

Corporate customers
Growth 5.7% in past year

<table>
<thead>
<tr>
<th></th>
<th>Q3 2018</th>
<th>Q3 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>12 300</td>
<td>13 000</td>
</tr>
</tbody>
</table>
Lending growth in the retail market

Retail market
Growth 4.5% in past year

Breakdown retail market
New loans

- New customers: 19%
- Existing customers, first mortgage loan: 36%
- Existing customers, increased mortgage loan: 45%

Q3 vekt utlån
Vekst siste 12 mnd
Increased market share in the bank’s market area*

- Sparebanken Vest has won market shares in its own market area over the past 12 months as of the end of Q2 2019
- Sparebanken Vest has a market share of 18.6% in the retail market for loans in its own market area, an increase of 0.7 percentage points in the past 12 months
- The market area is defined as Hordaland, Rogaland and Sogn og Fjordane counties

* Source: EarlyWarning competition report, Q2 2019. Debt growth in the retail market is defined as loans to households from banks, credit companies, financing companies and life insurance companies
Low risk in the retail market portfolio
- 96% of the lending portfolio secured by residential mortgage

Lending broken down by LTV ratio

Lending broken down by region
Good growth and strong SME profile in the corporate market – target of 10% growth in commitments during the year.

Corporate market
Growth in commitments 13.2% in past year

By volume
Sparebanken Vest is at the forefront of the digital shift

91% of Norwegians use online banking services

150 of 700 in-house employees with responsibility for development and innovation

4.6/5.0 Mobile banking solution ranked no 1 in Norway

First to launch ‘mobile only’ challenger bank
Customers have never ‘visited’ the bank more often – mobile bank has more users than the online bank, and five times as many visits per month.
Norway’s best mobile banking solution since 2016

- Sparebanken Vest: 4.6
- SpareBank 1: 4.6
- SPBK Sogn og Fjordane: 3.7
- Sbanken: 3.7
- Nordea: 3.3
- Handelsbanken: 3.1
- DNB: 2.9
- Danske Bank: 2.0

Average customer rating in App Store (iPhone) and Google Play (Android). Figures from 15 Oct. 2019.
Norway’s Best Mobile Bank is constantly improving - a steady stream of customer-friendly deliveries

Norway’s best application for booking (April)

Digital loan certificate
Get financing proof self-service in 2 minutes (May)

My Finances
Where does the money go? (August)

My Funds
Better overview of funds and savings (Sept.)

Subscription
Overview and opportunity to cancel subscriptions (Nov.)

Invoice Scanner
Never again the KID number. Due Dec.

Due in Q4
Where does the money go? ‘My finances’ launched in August
We are building three national initiatives with great potential.

www.folio.no

www.buffer.no

www.bulderbank.no
Move your mortgage

With Automatic interest rate reduction you get a smarter mortgage with low interest rates and no fees. We can automatically calculate the value of most homes, meaning no need for a mortgage valuation.

Give me an offer

AUTOMATIC RATE REDUCTION
When you pay down the loan or the value of the home increases

ALWAYS GREAT VALUE
We will always challenge the expensive banks. The loan is also free of charge

WE CALCULATE THE VALUE OF YOUR HOME
No need for a mortgage valuation. To apply for a loan, the only thing you need is BankID, and there is no need to upload any documents.
Norway’s most modern housing loan application?

- No enclosures
  Retrieves automatically updated secure data from many sources

- No valuation
  Automatically estimates the value of the property

- Minimal case processing
  Immediate decision on applications (in most cases)
The value of the property is calculated automatically
Pay slips and information about existing housing loans are retrieved from Altinn, information about unsecured debt from the debt register.
The application process is fully digital for simple loans, and the result appears immediately.
Bulder Bank: National interest

- National media are showing an interest because we have developed the solution to an actual customer problem
- Publicity on dinside.no and dagbladet.no on Friday 25 Oct. generated 164 loan applications in one day
Ny bank setter automatisk ned renten din


ASTRID DALEN

Publisert: 14.08.2019
3 aktive abonnement

-671 kr

gjennomsnitt hver måned

- Netflix
  Månedlig
  - 129

- Spotify
  Månedlig
  - 149

- Tekna
  Kvartralfavis
  - 399

Søvnør du et abonnement?
Gå til historikk, velg transaksjonen og «merk som fast utgift».
AKTIVT ABONNEMENT
Vis alle abonnement

Si opp abonnement

<table>
<thead>
<tr>
<th>STATISTIKK</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Månedlig</td>
<td>109</td>
</tr>
<tr>
<td>Gjennomsnittlig hver måned</td>
<td>109</td>
</tr>
<tr>
<td>Nestebetaling</td>
<td>06. desember 2019</td>
</tr>
<tr>
<td>Start</td>
<td>22. november 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SISTE BETALINGER</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Netflix</td>
<td>- 109</td>
</tr>
<tr>
<td>Fre 29.11.18</td>
<td></td>
</tr>
<tr>
<td>Netflix</td>
<td>- 109</td>
</tr>
<tr>
<td>Tors 28.11.18</td>
<td></td>
</tr>
<tr>
<td>Netflix</td>
<td>- 109</td>
</tr>
<tr>
<td>One 27.11.18</td>
<td></td>
</tr>
</tbody>
</table>
Dine abonnementsdetaljer

For å kunne si opp abonnementet på dine vegne trenger vi å ha akkurat den samme informasjonen som Netflix har på deg

navn.navnesen@email.com
Marius
Hauken
Adresseveien 123
1234 Poststed
Norge

Fortsett
Fullmakt

Med signaturen din gir du oss rett til å:
1. Slipp abonnementet ditt hos Netflix
2. Hente ut villkår for ditt abonnement for å kassiere og refundere ditt abonnement

Les hele fullmakten

Signer dokument
Signer fullmakt

Si opp Netflix

Din signatur

Fullfør
384
kroner spart i året!
<table>
<thead>
<tr>
<th>STATISTIKK</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Månedlig</td>
<td>109</td>
</tr>
<tr>
<td>Gjennomsnittlig hver måned</td>
<td>109</td>
</tr>
<tr>
<td>Start</td>
<td>22. november 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SISTE BETALINGER</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Netflix</td>
<td>- 109</td>
</tr>
<tr>
<td>Fre 29.11.18</td>
<td></td>
</tr>
<tr>
<td>Netflix</td>
<td>- 109</td>
</tr>
<tr>
<td>Tors 28.11.18</td>
<td></td>
</tr>
<tr>
<td>Netflix</td>
<td>- 109</td>
</tr>
<tr>
<td>Ons 27.11.18</td>
<td></td>
</tr>
</tbody>
</table>
BESKJED FRA NETFLIX


STATISTIKK

Månedlig 109
Gjennomsnittlig hver måned 109
Start 22. november 2018

SISTE BETALINGER

Netflix
Fra 20.11.18
Netflix

Do you have an overview of all your subscriptions?
- my subscriptions will be launched soon
Strategic rationale

Upscale nationally to an attractive mobile phone platform

Potential for significant value creation

Significant development synergies
Bulder Bank: Successful start-up

Status:
• Bulder Bank available in App Store and Finansportalen from 29 Oct. 2019
• All of the 5,000 persons who registered their interest were invited to try it before the launch
• All customers are onboarded automatically
• The housing loan application now works well in many instances, but requires further calibration before we can offer it to all target customers

Next step:
• Start marketing (digital)
• Listen to feedback from customers and make adjustments to both the app and the housing loan application
• Further develop the app with additional functionality (to be rolled out on a running basis)
Bulder Bank – targets for end of 2021

- Lending: NOK 20 bill.
- ROE: 12%
We made a brave choice – no one question it anymore!

DEL – Vi er overbevist om at valget var riktig!

For en del år tilbake tok Sparebanken Vest et strategisk valg. Trenden blant andre store konsern i markedet var å erstatte kompetente IT-hoder med billig arbeidskraft i utlandet.

– Vi gikk motstrøms og satset i stedet tungt på å bygge opp vårt eget IT-miljø i banken, sier konsernsjef Jan Erik Kjerpeseth til BA.

Our goal is to build the most exciting development environment

Change the culture
More customer-oriented and more teamwork, greater level of involvement and learning

Change the way we work
Customer-centered development methodology, Design thinking, GDS, agile development

Change control mechanisms
From steering groups to stand-ups, from control to direction

Change organizational structures
From project to multidisciplinary teams, from project managers to product owners
Innovation & Customer experience

User experience and service design
- Hanne Opedal

Strategy
- Svein Ove Langeland

Total Bank
- Stian Karlsen

Everyday Bank
- Vivian Eikestad

Personal Banking
- Morten Neteland

Banking Services
- Kjetil Sørtun

Infrastructure
- Thomas Skogstrand

EXPERIENCE EXCELLENCE

OPERATIONAL EXCELLENCE
• Solid banking operations
• Strong market position
• Strategic initiatives
Three strategic initiatives for the road ahead

**Society**
Leading the pack in the green shift in the region

**Customers**
Increased customer value through customer dividends in addition to donations

**Equity certificate holders**
Increase stock exchange value and liquidity to make SVEG even more attractive
Our goal is to contribute to Western Norway becoming the leading region in Norway in climate technology and climate cuts by 2030.
We shall achieve the goal by taking full advantage of our freedom of action

1. Climate requirements of suppliers

2. Social commitment and support for projects that make a difference

3. More competitive capital to green projects
Climate requirements of suppliers

- 100 suppliers have been issued a requirement to be climate neutral by the end of 2020

This entails keeping climate accounts, setting targets and measures that are followed up and compensating for our own climate debt by purchasing quotas
Social commitment and support for projects (‘Vestlandsutbytte’)

NOK 200 mill.

to be earmarked until the end of 2020

for projects that promote sustainability, new green technology and green restructuring

Several projects have already been launched
More competitive capital for green projects

• We believe finance can be an important driving force in the transition to a fossil-free society.

• We shall ensure the bank is prepared for increased competition to finance green projects.

• We shall make stricter requirements of those who do not have a green action plan and offer favourable financing to green projects.

• We shall measure emissions from the entire portfolio and report on progress.
Sparebanken Vest is set to launch a customer dividend

From 2020, all customers with loans and deposits in the bank will receive a dividend.
Why launch a customer dividend?

✓ To differentiate ourselves from our competitors and give us a unique position in Western Norway.

✓ Will lead to a better customer experience, increased relevance and greater customer loyalty. The customers can take part in the bank’s value creation.

✓ Potential for higher growth and profitability. Will be used actively and consistently to market the bank.
The news was launched on 15 August and was well received from the start.

One week after the announcement, our customers were asked whether they were aware of it and whether it was positive:

- 28% of our customers were aware of the news
- 65% were very positive to the news
- Knowledge of the news was highest in the group concerned with the bank supporting the local community

The first marketing campaign was launched on 3 October.

More communication campaigns are planned from December 2019 – April 2020.
Increasing market cap and liquidity

The conversion

- SVEG is converting about NOK 2.4bn of the primary capital to ECCs that will be transferred to a newly established foundation.
- Following FSA approval on Oct 29th, the Board of Directors on Oct 31st decided to execute on the authorization given by the general meeting to convert and establish the new foundation.
- It is the intention that the foundation will sell a significant share of the new ECCs through a structured process.
- The structured process is expected to take place during the fourth quarter, subject to market conditions.
- The conversion and sale will increase market cap significantly, improve liquidity and secure broad institutional ownership.
- The new ECCs are entitled to their share of earnings from 1.1.2019 and also dividends in line with existing ECCs.

Overriding timeline for formal process

15th of Aug 2019: Capital Markets Day and public announcement

16th of Aug 2019: Matter sent to General Meeting

6th of Sept 2019: Approved by General Meeting

Primo Nov 2019: Conversion and formal establishment of the savings bank foundation

4th Quarter 2019: Potential sale from Foundation

15th of Aug 2019: The Board’s recommendation to the General Meeting

16th of Aug 2019: Application sent to the Financial Authority

29th Oct 2019: Approval from the Financial Supervisory Authority
Why invest in SVEG

- Flat cost development adjusted for Bulder Bank
- Strong market position and potential for profitable growth
- Ambitious organisational culture
- Digital initiatives with national ambitions
- 73% retail customer portfolio results in low risk and low losses
- ROE target of 12% and dividend of up to 50%
- Goal: Among the top two with respect to return on equity
Investor contacts

Jan Erik Kjerpeseth
CEO
tel.: (+47) 951 98 430
jan.kjerpeseth@spv.no

Frank Johannesen
EVP CFO
Tel.: (+ 47) 952 65 971
frank.johannesen@spv.no

Bjarte Fauske
Director Finance and IR
Tel.: (+47) 915 61 698
bjarte.fauske@spv.no